GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA

UNSTARRED QUESTION NO:3198
ANSWERED ON:11.08.2000
INDUSTRY STATUS TO CINEMA
SHIVAJI VITHALRAO KAMBLE

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether the Government have recently decided to grant Information and Technology status to films/cinema;

(b) if so, the details thereof; and

(c) the details of steps taken/proposed to be taken to check piracy and other major problems of the Film/Cinema Industry?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF TH MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY)

(a) & (b) In view of emerging convergence of Information Technology (I.T.), telecommunications and entertainment technologies and for optimizing growth of entertainment industry, this Ministry was of the view that the film sector may be granted benefits accorded by the Government to the Information Technology sector with a view to tapping its full potential as a foreign exchange earner and to generate employment opportunities. Accordingly, this Ministry has taken up several proposals pertaining to the film sector with the Ministry of Finance.

As a result of these efforts, in the budget proposals presented to the Parliament for the year 2000-2001, the following significant benefits have been granted to the film industry.

(i) The benefit of the Section 80HHF of the Income Tax Act, 1961 has been extended to individuals/proprietors engaged in the export of entertainment software.

(ii) Basic customs duty on cinematograph cameras and other related equipment has been reduced from 40% to 25%.

(iii) Basic customs duty on color positive films in jumbo rolls and colour negative films in rolls of certain sizes has been reduced from 15% to 5%. Countervailing duty on these items has also been abolished.

(iv) The limit for submission of statements by film producers under Section 285 B of the Income Tax Act has been raised from Rs. 25,000 to Rs. 50,000 w.e.f 1.4.2001.

(c) The film industry has from time to time been representing against the losses suffered due to video/cable piracy. The responsibility for enforcing the Copyright Act 1957 rests with the police authorities under the State Governments/ Union Territory Administrations. The Copyright Act has been amended to bring it in consonance with the development in modern technology and making the penal provisions more stringent. During the last few years the Central Government has taken various steps to improve the enforcement of the Act. These measures include setting up of a Copyright Advisory Council for reviewing the progress of the enforcement of the Act periodically and to advise the Govt. regarding measures for improving the enforcement of the Act, arranging training/seminars for the police officers and impressing upon the State Govt. to create special cells to deal with Copyright offences; to designate nodal points with which professional or industry associations could liaise. Most of the State Governments have set up special cells.

The Copyright (Amendment) Act, 1994 inter alia provides for, setting up of a separate Society for Copyright Regulation of Indian Producers of Films and Television (SCRIPT). This society has set up special wings to fight piracy and work in close interaction with the police.